

**SALES AND USE TAX REVIEW COMMISSION  
RECOMMENDATION PURSUANT TO P.L. 1999, C. 416**

**BILL NUMBER:**

A-4104

**DATE OF INTRODUCTION:**

March 12, 2007

**SPONSOR:**

Assemblyman Kean

**DATE OF RECOMMENDATION:**

June 28, 2007

**IDENTICAL BILL:**

**COMMITTEE:**

Assembly Appropriations

**DESCRIPTION:**

The bill proposes to remove the imposition of sales tax on massage, bodywork, and somatic services.

**ANALYSIS:**

The bill proposes to remove the sales tax imposed on massage, bodywork, and somatic services by N.J.S.A. 54:32B-3(b)(9), which was enacted as part of P.L. 2006, c.44. The Commission recognizes that these are health services. They are clearly distinguishable from the purely aesthetic services of tanning services and tattooing, including permanent body art and permanent cosmetic application, which are taxable under N.J.S.A. 54:32B-3(b)(8) and (10), respectively. The latter two unrelated categories of services, which also became taxable under the terms of P.L. 2006, c.44, were sometimes grouped together with massage, bodywork, and somatic services for purposes of estimating the fiscal impact of various new impositions of sales tax under P.L. 2006, c.44. However, while recognizing that massage, bodywork, and somatic services are health services and that many of its practitioners strongly advocate licensing requirements, the Commission does not consider it necessary to treat all health services as exempt. In addition, it notes that, since massage, bodywork, and somatic services are not taxable if provided pursuant to a doctor's prescription, patients have a means of obtaining exemption when their doctors recommend massage, bodywork and somatic services for their health.

**RECOMMENDATION:**

The Commission does not recommend enactment of this bill.

**COMMISSION MEMBERS FOR PROPOSAL: 0**

**COMMISSION MEMBERS AGAINST PROPOSAL: 8**

**COMMISSION MEMBERS ABSTAINING: 0**

CMT